

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of	)	CA 06-04
	)	
Kusao & Kurahashi, Inc.	)	
	)	
Respondent	)	
_____	)	

CONCILIATION AGREEMENT

On or around March 2006, Barbara U. Wong, Executive Director for the Campaign Spending Commission (“Commission”), initiated an investigation of Kusao & Kurahashi, Inc. (“Respondent”). The investigation was initiated pursuant to the express authority of section 11-193(a)(7), Hawaii Revised Statutes (“HRS”), for a determination of whether the Hawaii campaign spending laws had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Respondent and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondent and the subject matter of this administrative action.
- II. That this Conciliation Agreement (“Agreement”) and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondent pursuant to section 11-216(g), HRS.
- III. That Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

- IV. That Respondent waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondent having voluntarily and fully cooperated with this investigation desires to resolve any potential litigation by entering into this Agreement with the Commission on its own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
  - 1. On or around March 2006, Barbara U. Wong, Executive Director for the Commission, initiated an investigation of Respondent involving excess contributions in violation of Hawaii campaign finance laws.
  - 2. Section 11-204(a), HRS, provides in relevant part as follows:

(a)(1) No person or any other entity shall make contributions to:..... A candidate seeking nomination or election to a four-year non-statewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period..."
  - 3. Section 11-204(h), HRS, during the period relevant for purposes of this Agreement provides in pertinent part as follows:

"...[A]n individual and any corporation in which the individual owns a controlling interest, shall be treated as one person."
  - 4. Jeremy Harris was a candidate for a four-year non-statewide office.

5. The election period for Jeremy Harris and the Harris 2000 campaign for Mayor of Honolulu was from November 6, 1996 through November 7, 2000.
6. Jeremy Harris and the Harris 2000 campaign for the Mayor of Honolulu reported receiving from Respondent and its two owners (Keith Kurahashi and Anne Kusao) and Respondent agrees that \$5,025 in contributions were made as follows:

Keith Kurahashi	August 25, 1997	\$500
Anne Kusao	August 25, 1997	\$500
Kusao & Kurahashi, Inc.	May 19, 1998	\$500
Kusao & Kurahashi, Inc.	June 28, 1999	\$1,000
Kusao & Kurahashi, Inc.	Dec. 21, 1999	\$2,000
Kusao & Kurahashi, Inc.	Sept. 14, 2000	\$250
Kusao & Kurahashi, Inc.	Sept. 20, 2000	\$250
Anne Kusao	Oct. 13, 2000	\$25

7. Respondent acknowledges that four excess contributions totaling \$1,025 were made in violation of section 11-204(a)(1), HRS.
8. The excess contributions were not knowingly, intentionally, or recklessly made pursuant to section 11-229, HRS.

## VII. Settlement Terms

1. As final settlement of the matter and issues in Conciliation Agreement #06-04, Respondent understands and agrees to an

assessment of **Five Hundred Dollars (\$500)** pursuant to section 11-228, HRS.

2. Respondent agrees to comply with Hawaii laws on campaign contributions and expenditures.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

X. This Agreement constitutes the entire agreement between the Commission and Respondent on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.

XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

**FOR THE COMMISSION:**

Barbara U. Wong, Executive Director

\_\_\_\_\_

Date: \_\_\_\_\_

**FOR THE RESPONDENT:**

Kusao & Kurahashi, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_